



# FSA Ombudsman News

Phone: (202) 377-3800

Website: [www.ombudsman.ed.gov](http://www.ombudsman.ed.gov)

Email: [fsaombudsmanoffice@ed.gov](mailto:fsaombudsmanoffice@ed.gov)

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*"It's not about who's right...it's about doing the right thing!"*

## Did you know:

- **FSA's Default Management website has a new look?** Default Management has updated its website to incorporate more user-friendly features and expanded content. The expanded website is designed to provide the most frequently requested data and information for a variety of website visitors in an organized and common sense way. We invite you to see their new look at <http://ifap.ed.gov/DefaultManagement/DefaultManagement.html>.

## Suggestions for Next Year's Ombudsman's Meeting Include:

- Ombuds development including legal issues, early intervention, measuring value, effects of reauthorization, and increasing ombuds representation in the industry
- Identity Theft and Total and Permanent Disability revisited
- Security Issues (NCSEAA and AES)
- Write-offs/Settlements
- Focusing the Industry on the Borrower
- Creating an Amnesty Fund for borrowers
- Relief for borrowers whose loans are purchased by Ineligible Lenders
- Review and discussion of prior year's "Hot Topics"

## Hear Ye, Hear Ye!

Now accepting topics for the 2005 Student Loan Ombudsman Meeting scheduled for April 6-7 in Tucson, AZ! Send suggestions to [Lynel.McFadden@ed.gov](mailto:Lynel.McFadden@ed.gov).

## Feature Item:

### FSA Ombuds Case Trends - First Half of FY04:

**"Research" cases decreased by 7.25% through the 2<sup>nd</sup> quarter of FY2004.**

**FY04 = 1,765 v. FY03 = 1,903**

**One-question "General Assistance" cases decreased by 19.64%.**

**FY04 = 5,520 v. FY03 = 6,869**

### Top Five Issues for Research Cases Remain Unchanged:

1. **Loan Cancellation/Discharge** (almost half were Total and Permanent Disability)
2. **Account Balance (incorrect or questions interest /collection fees)**
3. **Repayment Plans/Amounts** (payments were too high, needs more options)
4. **Default (default in error, options for removing default)**
5. **Consolidation (borrower wants to consolidate, wants lower interest rate)**

### **But wait, there's more. . .**

- The **1,765** "Research" cases represent 11,073 loans in NSLDS.
- **24%** of the 11,073 loans show a default status in NSLDS.
- **77%** of the loans are FFEL.
- **38.5%** of the loans have been in repayment 5 years or less.
- **54.2%** of the loans were for public postsecondary institutions.

## And the Survey Says. . .

Participants at the Student Loan Ombudsman Meeting rated the Conference Content 4.98 out of 5 and Overall Satisfaction 4.86 out of 5!

Noted Beneficial Aspects of Conference:

- Handling Difficult People and Situations Session
- Total & Permanent Disability Update
- Interaction within the group
- Knowing the level of commitment of others in industry
- Excellent facilitation
- Identity Theft
- Share outcome of Borrower's Bill of Rights discussion

## OmbudSpeak:

*From The Ombudsman Association Standards of Practice:*

"Provide a confidential, neutral and informal process which facilitates fair and equitable resolutions to concerns that arise in the organization. In performing this mission, the ombudsman serves as an information and communication resource, upward feeding channel, advisor, dispute resolution expert and change agent."

[www.ombuds-toa.org](http://www.ombuds-toa.org)

## COMING EVENTS

**May 23-26**, NCHelp Spring Conference, Hilton San Diego  
**July 18-21**, NASFAA Conference, Minneapolis Convention Center